GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:4710
ANSWERED ON:24.08.2000
MISUTILISATION OF FUNDS BY N.E. STATES
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of POWER be pleased to state:

(a) the amount of loan sanctioned to States Electricity Boards of the North-Eastern States for purchase of energymeters during the year 1999-2000;

(b) if so, whether some amount has been diverted or misutilised by the SEBs of North Eastern States;

(c) whether any Utilization report of funds so released have been asked by Rural Electricity Corporation (REC) recently;

(d) if so, details thereof; and

(e) the time by which payments to energy meters suppliers are likely to be released by these States for which amount has been disbursed by REC on or before March 31, 2000?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) & (b): During 1999-2000, Rural Electrification Corporation has sanctioned a loan assistance of Rs. 5.16 crores to Electricity Department, Government of Manipur for purchaseof energy meters and, on the basis of invoices a sum of Rs. 3.4 crores (90% of Rs. 3.77 crores towards cost of material) was released to the Government of Manipur on 31st March, 2000.Rural Electrification Corporation (REC) provides loans forprocurement of meters according to its guidelines. The balance 10% of the loan is released after the installation/completion report is received from the SEB together with the village-wise, taluka-wise, district-wise details (and sub-station details, if any, involved). These guidelines also concern quality specifications, performance guarantees, testing and inspection procedures etc. as per standards, norms, and procedures specified by the Bureau of Indian Standards.However, the procurement decision, quality approvals and the payments to the suppliers against material received are done by the State Government concerned.

(c) to (e): The State Government has been requested toreport utilisation of the above amount, and also to confirm that the money has been actually spent for the specified purpose, the supplier has confirmed the supply of requisite number of electric meters of the requisite quality and that due payment has been made to the suppliers against the supplies made.